



HOMELAND SECURITY COMMITTEE

Statement of Subcommittee Chairman Scott Perry (R-PA) Oversight and Management Efficiency Subcommittee

“Doing Business with DHS: Industry Recommendations to Improve Contractor Employee Vetting”

February 27, 2018

Remarks as Prepared

DHS relies on thousands of contractor employees every day to achieve its mission. From IT services to construction and janitorial services, DHS and contractor employees work hand-in-hand to secure our nation. Given DHS’s daunting task securing our nation’s borders, airports, and much more, it is of the utmost importance that everyone working for DHS, be it a federal employee or contractor employee, is appropriately vetted to ensure that he or she will uphold the integrity of the Department. However, I am concerned that DHS’s process to vet the character and conduct of contractor employees – known as a fitness determination – is bureaucratic in the worst ways: inefficient, inconsistent, and lacks transparency.

The Office of Personnel Management (OPM) sets minimum fitness standards for all contractor employees in the federal government. However, the application of the standards differs across DHS components as it relates to the nature of the specific position. This causes difficulties as many contractor employees provide services for multiple DHS components. For example, if a contractor employee who has received a favorable fitness determination from the Transportation Security Administration (TSA) is tasked to perform work on a separate contract for Customs and Border Protection (CBP), CBP may not reciprocally accept TSA’s fitness adjudication. Therefore, the contractor employee would have to undergo an additional fitness determination specific to CBP standards.

Differing applications of fitness standards cause headaches in terms of lost time, increased cost, and lack of communication for both DHS and industry. Often, industry is left in the dark, and is unaware of how one particular DHS component will apply fitness standards when vetting contractor employees. This makes it difficult for industry to know if their current personnel meet the qualifications to earn a favorable fitness determination for a specific component, or for industry to proactively find employees that do.

Moreover, any time spent waiting for work to begin while a fitness determination or preliminary check is being conducted is a cost industry must bear, which in turn, increases the price to DHS. Delayed fitness determinations not only waste taxpayer dollars but also keep contractor employees from providing DHS with much needed services.

Additionally, communication between DHS and industry during the process is inefficient. In order for industry to receive information on the status of a pending fitness determination, industry must place the request with the Contracting Officer Representative (COR), who then forwards the request to the office conducting the review. The office conducting the review then provides the requested information to the COR, who in turn gives it to industry. This not only creates an unnecessary middle-man, but also places a burden on industry's relationship with the COR whose main job is to manage the contract and provide technical direction to industry.

Aside from the complications I just detailed, I am also concerned that this convoluted process deters non-traditional government partners from wanting to do business with DHS. Why would a company, large or small, choose to involve themselves in such a disparate and confusing process that directly impacts their personnel and bottom line? With the ever-increasing threat environment we face today, DHS should work with both traditional and non-traditional government partners to ensure that robust market competition provides the best services and technology at a competitive price.

I want to re-iterate that I support DHS's need to appropriately vet its contract workforce that supports a variety of missions. However, there should be a more transparent and efficient way to do so. I look forward to hearing from our witness' regarding their experiences with fitness determinations and any suggestions they may have to improve the current process at DHS.

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